

**REPORT TO: PLANNING AND TRANSPORTATION COMMITTEE
27 AUGUST 2001**

REPORT ON: DTZ PIEDA RETAIL STUDY - IMPLEMENTATION

REPORT BY: DIRECTOR OF PLANNING AND TRANSPORTATION

REPORT NO: 463-2001

1 PURPOSE OF REPORT

1.1 The purpose of the report is:

- a To highlight the key action points emerging from the City of Dundee Retail Review 2000 undertaken by DTZ Pieda.
- b To set out the next steps towards implementation of the action points.
- c To contribute towards the review of the Development Plan framework.

2 RECOMMENDATIONS

2.1 It is recommended that the Committee:

- a Endorses the implementation measures outlined in this Report.
- b Remits the Director and Planning and Transportation to report back to the Committee on progress in twelve months time.
- c Agrees to refer this report to the September 2001 Development Quality Committee for its information.

3 FINANCIAL IMPLICATIONS

3.1 There are no financial implications directly associated with this Report.

4 LOCAL AGENDA 21 IMPLICATIONS

4.1 The Local Agenda 21 implications of this Report cover the following key themes:-

- Resources are used efficiently and waste is minimised: The measures outlined in the Report will lead to the formulation of policies to resist the over provision of retail floorspace, a situation which could have damaging consequences for the vitality and viability of existing shopping centres, both within and outwith the City.
- Local needs are met locally: The Report's recommendations will assist in providing for different types of retail provision, not currently available in the City. This could help offset the need for trips to other shopping destinations outwith the City by meeting these requirements locally.
- Diversity and local distinctiveness are valued and protected: The proposed measures will assist the protection of existing shopping centres and ensure that they continue to provide a valuable service to the community.

5 EQUAL OPPORTUNITIES IMPLICATIONS

5.1 The implementation of the DTZ Pieda Study's findings will include the formulation of a revised Local Plan Policy framework to address future pressure for non-food retail developments. This includes ensuring that policies direct new development to locations accessible to the community as a whole, including these without access to a car.

6 BACKGROUND

- 6.1 At its meeting of 30 April 2001, the Planning and Transportation Committee considered the findings from the City of Dundee: Retail Review 2000, undertaken on behalf of the City Council by DTZ Pida Consulting (Report No 70-2001 refers). The study rolled forward the guidance on the capacity for non-food retailing for the period up to 2006 and, more tentatively, from 2006 – 2011. However, the study also addressed certain detailed matters on which the City Council had sought more specific advice. These included a reassessment of planning provisions in respect of the site allocated for retail warehouse development at East Marketgait. They also included a review of the position regarding older, outdated 'stand alone' retail operations and their locations.
- 6.2 There is now a need to set out the steps necessary to address such matters and to provide a framework for future actions and decisions by the City Council. This includes issues for consideration in relation to the ongoing Dundee and Angus Structure Plan and the recently commenced Dundee Local Plan Review. There are also implications for the handling of current and future planning applications.

7 ACTION REQUIRED

- 7.1 The areas requiring further action are summarised under the following headings:

- Retail Capacity.
- East Marketgait Retail Warehousing Site.
- Kingsway West Retail Park.
- Outdated 'First Generation' Retail Warehouses.
- Non Food (Comparison) Goods Sales in Major Out of Centre Foodstores.

These are considered separately in the following paragraphs.

Retail Capacity

- 7.2 A fundamental aspect of the study was a review of the capacity for future non-food retail floorspace in the City. This considered the potential to accommodate further provision for traditional city centre type goods (leisure, fashion and other personal purchases). It also examined the scope for household goods (furniture, carpets, DIY, etc) involving bulkier items more typically associated with out of centre locations.
- 7.3 The Consultants concluded that against the background of existing retail development commitments (which include the proposed East Marketgait Retail Park), there is unlikely to be capacity available for additional City Centre retailing until after 2006. In the case of out of centre retailing, insufficient expenditure is available to develop additional retail park locations beyond the already committed Kingsway West expansion. However, limited capacity is available for minor additions to the existing retail parks.
- 7.4 Given the limited capacity available to support additional comparison floorspace over the coming years, there is a need to proceed with care when providing for future needs. In view of the more restricted site opportunities for central area related developments, the scope offered by the District Centres merits further examination. The Stack Leisure Park, Lochee has experienced a significant decline in its role over recent years. With the closure of the Odeon multiplex cinema and the longer term vacancy of other units, a major part of the Stack is now unoccupied. A recent appeal decision upheld the refusal of planning permission for the conversion to Class 1 retail use of the former Venue nightclub unit. In addition the new leisure parks at Douglasfield and Kingsway West have clearly had an impact on the market for major leisure within the city.

7.5 It is therefore proposed:-

- a To explore in the context of the Dundee Local Plan Review whether scope exists for new comparison goods floorspace related to the district centres.
- b Apart from a above, make no specific provision for major additions to the existing allocations for comparison floorspace.
- c Against the background of current trends to assess the role of the Stack Leisure Park as part of the Local Plan Review.

East Marketgait Retail Warehousing Site

7.6 The Dundee Local Plan allocates a site in the East Marketgait area for the development of a retail park. This incorporates provision for a food superstore, together with a number of food retail warehouses. This site is subject to goods range and related controls which include the requirement that development of the foodstore precedes that of the remainder of the site. However, there now appears to be no prospect of securing a foodstore operator and the planning consent for this aspect of the development has lapsed. The retail element of the most recently submitted plans for the development is therefore comprised only of retail warehouse units. These have been shifted westwards to occupy the area allocated for the foodstore. A key feature of the proposal is that it avoids the need to incorporate the entirety of the Travel Dundee site and thereby avoids the need for its relocation.

7.7 Against the background of slow progress in securing the redevelopment of the East Marketgait site as a retail park, DTZ Pieder were asked to advise on measures to stimulate development activity. Put briefly, the Consultants advised that there is a need to revise the existing range of goods and related restrictions and to provide a less complex control framework. This would address problems of limited expenditure availability and help promote progress at the site.

The current restrictions rule out most household goods ranges at the site. They also allow for the controlled provision of goods ranges which are either prohibited or allowed on a limited basis at the existing retail parks, eg sports goods, computers and electricals (See Appendix 1 for full details).

7.8 A report on a planning application by J J Gallagher for the development of the East Marketgait Retail Park will be considered separately by the Development Quality Committee. This includes recommendations to replace the existing range of goods and related controls with a new framework aimed at:

- prohibiting those goods ranges for which provision already exists at the Kingsway East and West Retail Parks.
- retaining a general minimum unit size of 929 square metres with an allowance for no more than three 'undersized' units with minimum unit size of 700 square metres.

The aim of the revised control framework would be to provide for retail warehousing not currently available in the City, while avoiding the risk of attracting mainstream City Centre retailers to this retail park and also avoiding conflict with the predominantly household shopping role of the Kingsway East and West Retail Parks. However, a degree of overlap with City Centre goods ranges would be inevitable. It is also proposed :

- a As part of the Dundee Local Plan Review to explore measures to improve the linkages between the East Marketgait site and the City Centre and enhance its general accessibility.
- b To undertake further survey work on consumer expenditure in two years.

Kingsway West Retail Park

- 7.9 Since its inception, Kingsway West Retail Park has been subject to a Section 75 Agreement which, among other things, restricts electricals provision to one unit with floorspace not exceeding 1,500 square metres. At present, there is no electricals' unit at this retail park. At its meeting of 25 June, the Committee considered a request by the applicants promoting the extension of the retail park for an increase in the electricals provision. Against the background of the DTZ Piedad study, the Committee agreed to increase the electricals limit to a maximum of 4,500 square metres in the form of two retail warehouse units. The new limit will be incorporated into the Section 75 Agreement covering the extended retail park.

While the retail park has good accessibility by car to the city as a whole, there is a need to consider the potential to enhance its accessibility by other travel modes (eg cycling and walking). It is therefore proposed:

- a to examine in the Dundee Local Plan Review measures to improve the accessibility of the retail park by modes other than the car.

Free Standing Retail Warehouses

- 7.10 The DTZ Piedad remit included a requirement to examine the issue of the older and outdated 'stand alone' retail warehouses operating throughout the City. Examples of these include the Landmark Unit in Old Glamis Road and What Everyone Wants, in Lochee Road. The advice suggested that no standard solution is available and that action would require to be tailored to individual circumstances.

- 7.11 It is therefore proposed:-

- a to undertake an investigation of free-standing warehouse operations throughout the City.
- b to explore as part of the Dundee Local Plan Review, the scope in land use terms for discontinuing existing allocations and reallocating to suitable alternative uses for individual sites.
- c to examine the potential for relocation to more suitable locations (eg to the retail parks or existing shopping centres).

It must be recognised when looking at the process of discontinuing existing uses, reallocating to other uses and site assembly, that timescales of up to ten years may be involved.

Non Food (Comparison) Goods Sales in Major Out of Centre Foodstores

- 7.12 While the scale of comparison goods sales in major out of centre foodstores is not large in relation to overall comparison retailing in the City, it has grown steadily over recent years. This has resulted from the growing significance of out of centre foodstores and from the growing emphasis on comparison goods sales, as a means of boosting overall turnover.

- 7.13 To date, this issue has, for the most part, been addressed by applying a 30% upper limit on the proportion of retail floorspace to be devoted to comparison sales in major foodstores. Given the growing concerns regarding the retail impact of such sales, there is a need for a more cautious approach to comparison provision in large foodstores. There is the concern that in certain instances, their comparison sales are such that they come to resemble department stores. .

- 7.14 It is proposed:

- a to further explore this issue in the context of the Local Plan Review with a view to incorporate specific policy guidance.

- b to require foodstore developers to provide specific details of retail impact relating to comparison goods sales as part of their retail impact analysis submissions (in addition to developments involving new sites, this would apply to redevelopment of existing sites and to extensions of existing foodstores).
- c to examine in the Dundee Local Plan Review measures to improve the accessibility of major out of centre foodstores by modes other than the car.

8 CONCLUSIONS

- 8.1 The implementation of the DTZ Piedad recommendations will require action in a number of areas over the coming years. This includes implications for the Dundee Local Plan Review, for planning applications and for existing retail warehousing sites. Monitoring of progress will be an important element of this process and members will be kept advised as matters advance.
- 8.2 It must also be recognised that there is an inevitable tension between meeting consumers' aspirations for the latest innovations in retailing and ensuring that society as a whole continues to have access to improved shopping opportunities. This requires a balance which ensures that major new retail developments are not provided at the expense of retail facilities more readily accessible to the community as a whole – including those without a car.

9 CONSULTATIONS

- 9.1 The Chief Executive, Director of Finance, Director of Support Services, Director of Corporate Planning, Director of Economic Development and Director of Neighbourhood Resources have been consulted and are in agreement with the contents of this report.

10 BACKGROUND PAPERS

- 10.1 City of Dundee Retail Review 2000: DTZ Piedad Consulting

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17 August 2001

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APPENDIX 1

EAST MARKETGAIT RETAIL PARK CURRENT GOODS RANGE ETC RESTRICTIONS

(Does not include food superstore which is the subject of separate controls)

1 UNIT SIZE/OCCUPATION

Retail warehouse units will have a floorspace of not less than 929 square metres gross, with allowance being made for a maximum of two retail units with floorspace not less than 500 square metres gross. Other than in the latter there will be no sub-division to create units of less than 929 square metres gross. No individual retail unit will be occupied by more than one retailer.

2 RANGE OF GOODS (LIMITATIONS)

2.1 The following categories of goods shall not be sold from retail units:

- i DIY/home improvements
- ii Carpets
- iii Garden goods
- iv Motoring products and accessories
- v Jewellery, silverware, watches and clocks.

2.2 The following categories of goods shall be sold only as indicated:

i Food:

- ancillary sales of children's food within a unit primarily for the sale of (a) toys, (b) children's goods.
- within an instore cafe for consumption therein or within a free standing restaurant for the sale of food for consumption on the premises or for take-away.

ii Electricals:

Unless otherwise indicated the following range of electrical goods shall be sold from no premises other than an electrical unit.

Radio and television sets, video recorders, record players, tape recorders, stereo and hi-fi equipment, computers, musical instruments, gramophone records, audio-visual discs and cassettes, cameras, freezers and vacuum cleaners. Washing machines, cookers, refrigerators and freezers (which may be sold from such electrical warehouse unit) may only be sold elsewhere as built-in appliances as part of integrated kitchen furniture.

This does not preclude ancillary sales of:

- children's electrical goods within (a) a toys unit, (b) a children's goods unit.
- office related electrical goods within a unit primarily for the sale of office goods and supplies.
- computers and related items within a unit primarily for the sale of computer goods.

iii Video sales:

- video sales within (a) a toys unit, (b) a children's goods unit, (c) a unit primarily for the sale of electrical goods.

iv Clothing and footwear:

- sports clothing and footwear for sale within a unit primarily for the sale of sports goods.
- children's clothing and footwear for sale within a unit primarily for the sale of (a) toys, (b) children's goods.

3 OTHER RESTRICTIONS

- 3.1
- i A maximum of one electrical retail warehouse is permitted and this shall be limited to a maximum floorspace of 1,500 square metres gross.
 - ii A maximum of one computer retail warehouse is permitted and this shall be limited to a maximum floorspace of 2,500 square metres gross. The unit shall be devoted primarily to the sale of computers and computer software and accessories.
 - iii A maximum of one sports goods retail warehouse is permitted and this shall be limited to a maximum floorspace of 1,500 square metres gross. Not more than 50% of net retail floorspace shall be devoted to the sale of sports clothing and footwear.
 - iv A maximum of one furniture retail warehouse is permitted and this shall be limited to a maximum floorspace of 1,500 square metres gross.
 - v A maximum of one separate unit shall be permitted for the consumption of food on the premises and for take-away. This does not preclude small scale ancillary cafe provision within retail units.
 - vi There will be no provision anywhere on the site for video hire

4 OTHER MATTERS

- 4.1 It is recognised that other retail formats and concepts may emerge in future which, although not fully meeting the above requirements, are nevertheless worthy of inclusion in the park. These could be addressed separately on their merits in relation to prevailing Structure and Local Plan policies and handled accordingly.